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UNITED STATES ARMY :
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CORPS OF ENGINEERS :
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PRESS BRIEFING

USACE 2012

October 2, 2003

[1:35 p.m.]

US Army Corps of Engineers

GAO Building
400 G Street, Northwest
Suite
Washington, D.C.

P A R T I C I P A N T S

US Army Corps of Engineers

LTG Robert B. Flowers,
Chief of Engineers

Carol Sanders,
Public Affairs Office

Connie Gillette,
Public Affairs Office

Joseph Tyler

Robert Vining

Other Attendees

Larry Bory,
HDR, National Waterways Conference

Greg Brawer (via telephone)
ASCE

Dr. Nicole Carter,
Congressional Research Service

Zeta Desta
National Wildlife Foundation

Bob Edmundson,
Journal of Commerce

Amelia Gruber,
Government Executive

Other Attendees, continued

Worth Hager,
National Waterways Conference

Steve Hughes,
Congressional Research Service

Ted Illston,
Nature Conservancy

Kelly Miller,
American Rivers

Mia O'Connell,
Carmen Group

Melissa Samitt,
American Rivers

Melanie Tory,
House Government Reform

P R O C E E D I N G S

1
2 MS. SANDERS: Welcome, everyone. This is an
3 on-the-record briefing about USACE 2012. We do have a
4 court reporter here. So when we get to the questions
5 part, if you'll please state your name. Do you want us to
6 go around and have everybody state their name first?

7 Please, before you ask a question, if you would
8 say your name and who you represent.

9 And with General Flowers today, we have Joe
10 Tyler, and Rob Vining. And we'll let -- Joe do you want
11 to explain? You're both sides of the same ego. Two sides
12 of the same ego.

13 MR. TYLER: Rob and I are co-chairs of a
14 committee that has been working on developing the
15 recommendation that's go into the report, USACE 2012,
16 working with the Chief to develop and document our plans
17 for the future.

18 LTG FLOWERS: My name is Bob Flowers. I'm the
19 rush chairman for the Corps of Engineers. And I think
20 Carol misspoke a little bit. I'm not going to present a
21 formal briefing on this. What I'd like do is just kind of

1 make a few comments about USACE 2012. And then allow you
2 all to kind of ask questions and take this anywhere you
3 all would like to go.

4 MS. SANDERS: Melissa and Chris, can you hear
5 us?

6 VOICE: Not very well.

7 MS. SANDERS: Not very well. We'll try to move
8 the phone. How's that? Is that better?

9 VOICE: Yeah. That's much better.

10 LTG FLOWERS: What I'm doing for those you what
11 who aren't here, you won't be able to see this slide I'm
12 talking about. If I might, this is a slide that I use
13 when I'm talking to the workforce of the Corps of
14 Engineers, talk about transforming the organization.
15 We've had three axes that we've been sort of working on.

16 I began as Chief of Engineers at the beginning
17 of fiscal year '01 in October of 2000. And the vectors
18 have been people, process, and communication. Shown on
19 this, in the time that we were working them, are
20 initiatives EOPs is a environmental operating principles
21 to put sustainable development into our process.

1 VE is value engineering. That's a way of
2 engineering things and looking at what you've done and
3 having an outside set of eyes, if you will, come in and
4 look at to make sure you're providing the best product.

5 P2 is a common automation enabler that we're
6 bringing in across the Corps of Engineers.

7 For people, we've been looking at empowering.
8 And one of the first things I did as chief was issue every
9 Corps employee a "Do It" card. And we have some examples
10 here. And it was a sincere commitment to make sure that
11 everybody understood. This card says, and every Corps
12 employee should have one. It says, You ask yourself three
13 questions: Is it good for my customer? Is it legal and
14 ethical? Am I willing to be held accountable? And if the
15 answer to those three questions is yes, you already have
16 permission from the Chief of Engineers to just do it.

17 The objective of all of this has been to create
18 an organization that focuses or functions as a team, as a
19 learning organization so that you benefit from all the
20 experiences you're having as a organization, both good and
21 bad. And with the enablers, be able to operate virtually

1 so that we can leverage the power of all of the employees
2 of the COE to best serve the nation and its armed forces
3 which is our mission.

4 And we are very unique in that we are the only
5 nation in the world that has anything like the U.S. Army
6 Corps of Engineers. And I frequently get asked why is
7 that. Where's another model in the world where this has
8 succeeded? And my response would be, this is the model
9 where it succeeded.

10 We have a number of people who come over, work
11 with us from other countries who are amazed at this unique
12 organization. But it provides the country a capability
13 that nobody else has. And that is, when we have to
14 transition from peace to conflict and conflict back to
15 peace, the U.S. Army Corps of Engineers becomes an agency
16 of great value to the country.

17 I've done that following during and following
18 all of the conflicts. And it's happening today in Iraq,
19 Afghanistan, and elsewhere.

20 So what we're about in USACE 2012 is bringing
21 home that vision, one team, a learning organization,

1 capable of operating virtually. We began early on in my
2 term as Chief to do a great deal of public involvement and
3 inviting people to come in and comment on the Corps of
4 Engineers, things we should be doing differently; what is
5 it you like, don't like; how would you change it if you
6 could, et cetera.

7 And two very strong messages came through from
8 everyone that we interfaced with. One was you have great
9 people in the U.S. Army Corps of Engineers and really like
10 working with you. And the second one was your processes
11 are very daunting. And if we work with one part of the
12 Corps, it's not the same as working with another part of
13 the Corps and that's confusing and upsetting and we really
14 don't get treated like partners.

15 So we went about trying to find a way to improve
16 our processes so we could provide better services, listen
17 to all of the input that we had. And the result of that,
18 believe it or not, is USACE 2012. The real crux of it is
19 an internal reorganization to become a team of teams.
20 We're moving from a hierarchical government agency that
21 has a wiring diagram and is very stove-piped at both

1 Washington level and the regional level to a more
2 matrixed, more business-like approach that will reduce the
3 internal time it takes for us and we'll standardize our
4 processes across the Corps.

5 For example, we currently have about 54 data
6 bases in the Corps. And what we're doing is going to 8
7 regional data bases. Because right now, if we have to
8 pull information together on a project or a program, we
9 have to go to 54 different data bases and do data calls.
10 And we are eating up an enormous amount of people's time
11 that could be used more productively in another way by
12 doing that. So what this is all about is becoming more
13 efficient.

14 In the draft that was prepared by the process
15 committee for me, there were some recommendations that we
16 heard from customers and stakeholders that were in the
17 draft that basically would require legislative or changes
18 in law in order have those done. And that is not part of
19 the USACE, 2012. Those were recommendations. Those need
20 to be worked with the administration. They need to be
21 worked with Congress. And we haven't even begun to do

1 that yet. So that's all still on the table and for
2 discussion. But it is not part of USACE 2012 contrary to
3 some information that was put out before.

4 So what this is all about is us organizing
5 ourselves so that we can matrix ourselves in a more
6 business-like approach and more responsive to the people
7 that we serve. And that's the public and its armed
8 forces. So that's what this -- that's what USACE 2012 is
9 all about.

10 Just kind of as an example, we're moving from
11 something like this. If you'll put it up on the screen,
12 you'll see what this -- there it is. (Shows
13 organizational slide.) There's the hierarchial
14 organization. And each one of those is sort of a
15 stove-piped organization right now. And we're moving from
16 that to this. (Next slide.) Where we'll have vertical
17 integration teams. Those are the RITs, the regional
18 integration teams. And we'll have integrating centers so
19 that things are integrated both horizontally and
20 vertically and we're communicating in the organization.

21 And the other important piece of this is so that

1 we don't lose our technical expertise, we are creating
2 communities of practice which have been, to this point,
3 informal within the organization but now will be
4 formalized. And these communities of practice will make
5 sure that members of that communities, like architects or
6 civil engineers or biologists, are being professionally
7 developed, are technically proficient, and are functioning
8 as effective members of teams. And we've put that in to
9 USACE 2012.

10 And I think when someone takes a look at how
11 we're bringing this about, I think they'll see great
12 goodness. We began looking at our headquarters. And we
13 began looking at it as a resource drill, basically,
14 looking at a way to reduce overhead. I think probably the
15 way a lot of businesses do. And what we discovered was we
16 had to take a look at our style, how we did things, all of
17 those things where you talk about changing an
18 organization. So form follows function.

19 And we did that. And this is what we've come up
20 with. It's a team-of-teams concept. I think it will be
21 pretty exciting. And I tried to tell all of the Corps

1 personnel. This is will be our way in the future, as a
2 learning organization to deal with change. And we'll
3 learn those communities of practice, a person in that
4 community of practical, will be able to reach out to
5 anybody else in that community when they're dealing with
6 an issue to better help them serve their team. So you
7 create that knowledge management system.

8 And we already have an example with our natural
9 resources people in the Corps. On their own, they created
10 a gateway, a web page, that captures best in practice,
11 lessons learned, gives names of points of contact for
12 people and experts in the field to work with. And it's
13 also linked to other agencies and contractors. And so
14 anyone that can contribute to the success or betterment of
15 the community of practice would be welcome to participate.

16 And so what you'll see in this organization is
17 matrixing. We will have people in some cases dual-hatted.
18 They may lead one of the regional integration teams and
19 at the same time be the champion or leader of a community
20 of practice. You may have a biologist who's leading one
21 of the teams what's also dual-hatted as the regulator of

1 the Corps who is watching out for all the people working
2 in the regulatory branch that are employees and part of
3 that community of practice.

4 And I think that's probably confusing enough.
5 I'm happy to answer any questions anybody has.

6 MS. SANDERS: Why don't we start with -- I think
7 somebody else signed. I have Melissa, Chris. Did
8 somebody else sign on?

9 MR. BRAWER: Greg Brawer, Civil Engineering
10 magazine.

11 MS. SANDERS: Hi, Greg, welcome.

12 Melissa, why don't we start with you, see if you
13 have any questions. Then we'll go to Chris and then Greg
14 and then see if folks here in the room.

15 Melissa, did you have any questions?

16 MS. SAMIT: I have probably a lot of questions.
17 Most immediately, I'm wondering if the regulatory folks
18 are going to be integrated with the civil work side to
19 look at environmental impacts, particularly wetland
20 impacts. There seems to be varying current practice
21 between the regulatory side and in wetland impacts and

1 mitigation. And I'm also wondering if one of your new
2 data bases might regard civil work mitigation in the same
3 way that you're planning to track mitigation under the
4 regulatory program?

5 LTG FLOWERS: Absolutely. What we'll form under
6 USACE 2012 are cross-functional teams. And so you'll have
7 regulators represented, for example, on every regional
8 integration team, in the various integration directorates.
9 And so they will be throughout. And they will be able to
10 come together as a community of practice to share their
11 lessons learned and consult with each other within the
12 organization. But they will be there throughout all
13 processes functioning as part of the team. And, yes, are
14 the intent is to keep track.

15 And one of the things that we asked for in our
16 budget was some more resource so we could do just that,
17 Melissa.

18 MS. SANDERS: Let's go onto Chris. Chris, would
19 you give us your full name and who you're with? And do
20 you have any question.

21 Chris: I'm with Water Environment and

1 Technology magazine. And I'm wondering how does the
2 reorganization plan address concerns that the Corps
3 doesn't have enough independent peer review?

4 MS. SANDERS: Did you all hear that?

5 THE GROUP: No.

6 LTG FLOWERS: The question was: How does this
7 report address independent peer review?

8 This report does not address peer review
9 directly. But if you look within the directorate of civil
10 works, there is a new office created on policy review and
11 project review. And we would envision that peer reviews
12 or independent reviews that are done would be coordinated
13 through this office. We have requested in our budget
14 appropriations so that we could conduct independent
15 reviews of a number of projects. We already have funded
16 independent reviews of some projects which have -- four
17 projects which have been fairly controversial. The Upper
18 Miss Nav Study is one of those that is going to be
19 independently reviewed; Columbia Channel Deepening;
20 American River, and the Delaware River Deepening Project.
21 Those are all being independently reviewed.

1 And so I know that there is some pending
2 legislation. And if that legislation passes as it's
3 currently written and is enacted into law, we're prepared
4 to execute it. And we would do it using that office in
5 our civil works directorate to be the liaison.

6 MS. SANDERS: Thanks, Chris. Greg, would you
7 tell us your full name and who you're with? And do you
8 have any questions?

9 MR. BRAWER: Yeah. I'm actually going to pass.
10 I sort of came in here at the last minute, so I'm going
11 to pass my time. Thank you, though.

12 MS. SANDERS: Folks around the table.

13 LTG FLOWERS: Go ahead.

14 MR. EDMUNDSON: I'm Bob Edmundson. I'm with the
15 Journal of Commerce. And I'm kind of new to this. And,
16 of course, their primary interest is the future of harbor
17 and channel projects. And just using this model, can you
18 kind of give me a rough idea of how the process will be
19 different under this in terms of application review and
20 execution of projects going forward?

21 LTG FLOWERS: Sure. Currently in the

1 hierarchical system that we have, you would have a project
2 that would be normally put together at a district. That
3 project would then have to go forward and be reviewed at
4 the division. And then it would have to go forward and be
5 reviewed and approved at the headquarters here. Then
6 signed and sent over to the department.

7 In the future with these teams being
8 horizontally and vertically integrated and put together,
9 as a project comes to completion, it will already be a
10 team effort of the best teams we can bring to bear on. It
11 will get a policy review that will tend to be more -- it
12 won't be sequential as it has been in the system I
13 described. And our belief is that on most projects, that
14 will save a great deal of time in getting through the
15 process.

16 And the other thing I'll say is we've opened up
17 our process. And we have encouraged everyone to be more
18 open, collaborative, make sure the customer is part of the
19 team. And that was that feedback we heard and we're not
20 really your partners. And so we put the customer on the
21 team. We invite broad comment. And we have established

1 some communications principles that say we're going to
2 communicate early and often with everyone who has a stake
3 in what happens.

4 So my belief is, that by doing it that way, we
5 have a great opportunity for ferreting out issues, getting
6 them revolved, if possible, and then developing consensus
7 around as best an alternative as we can. And when you do
8 that, then you are probably going to be doing something
9 that will be worthwhile and will get support.

10 MR. EDMUNDSON: Just one quick follow-up.

11 Does the 2012 indicate the date when this is all
12 going to be done?

13 LTG FLOWERS: No. That's a great question. We
14 started a -- I put together a team to take a look 10 years
15 down the road at what we might be doing, what we might
16 look like. It was called the Stockton Study. Mr.
17 Stockton did not want his name attached to it. So it
18 became known as 2012. That effort morphed into what we're
19 doing now. And the name stuck with it. But no --

20 MR. EDMUNDSON: So in practical terms -- I'm
21 sorry. In practical terms, does that mean that going

1 forward, as the port authorities come forward and propose
2 projects or extensions of existing projects, this will be
3 starting, say, tomorrow is this what we're going to be
4 encountering?

5 LTG FLOWERS: For them, the points of entry will
6 remain the same. What change they will see will be
7 they'll be receiving much more information about what's
8 happening. They will get it in a more timely fashion.
9 And I hope that we will be able to improve the process to
10 a point that they will realize we are working in a very
11 efficient way. And, oh, by the way, by putting teams and
12 becoming a team of teams, we are able to do that with
13 about a 20-percent reduction in our current authorized
14 level of manning. (*Editor's Note: Level of manning at the*
15 *headquarters and division level.*) And so I think there's
16 a lot of efficiencies there.

17 That's our estimate at this point. So points of
18 entry probably won't change. Hopefully, they'll see a
19 more responsive, open organization that's satisfying their
20 needs in a more timely fashion.

21 MR. EDMUNDSON: I'm implying from all of that

1 that the process may take less time than it did because
2 there's going to be more communication?

3 LTG FLOWERS: Exactly. That's my belief. We
4 sort of war-gamed. We took this historical examples, and
5 put a team together to act like what would happen under
6 the current system where we go through a hierarchical
7 process. Now, I am not implying in any way that we're
8 taking anything away from the Department of the Army or
9 the Department of Defense or the Congress. Those
10 approvals still have to be, for anything, still have to be
11 obtained. I think there was some implication that was
12 going to change, but it will not, not under 2012.

13 Yeah.

14 MS. GRUBER: I'm Amelia Gruber from Government
15 Executive. I'm wondering what the immediate next steps
16 are going to be and how they will be rolled out?

17 MS. SANDERS: The immediate next steps is this
18 week I will release the concept plan for USACE 2012.

19 MS. SANDERS: Next week.

20 LTG FLOWERS: Next week. I'm sorry. Next week
21 I will be releasing the concept plan for USACE 2012.

1 Within 30 days of that, the divisions, the
2 regions, will come back with their draft implementation
3 plan. We will look at those. Learn lessons from the best
4 that's being done out there. Put them together. We will
5 then change or approve of the new organization. And we
6 will then immediately go into implementation.

7 By implementation what that means is we will
8 have people changing where they are currently sitting in
9 their workstation and being seated as a team, a
10 cross-functional team. And so for example, you'll have
11 Office of Counsel, a lawyer, a regulator, engineers,
12 biologists, resource managers, contracting officers, all
13 sitting in these teams, working together
14 cross-functionally to take care of and integrate what's
15 happened. So that's what you'll see from the
16 implementation.

17 The intent is to be functioning as this
18 organization by May of next year.

19 MS. GRUBER: I had one other question. I was
20 just wondering if you see this involving people having to
21 change physical locations where they are working or jobs

1 being eliminated.

2 LTG FLOWERS: What we are able to do is we are
3 able to leverage technology. There may be some of that.
4 But a lot of this will be virtual. So I do not envision a
5 lot of people moving around.

6 MS. GRUBER: Will people lose their jobs? Is
7 there a reduction in force?

8 LTG FLOWERS: We think we will be able to use
9 some shaping tools like early retirements, et cetera, to
10 meet this new organization.

11 MS. GRUBER: But you'll think you'll have a 20
12 percent reduction in the work force. *(Editor's Note: That*
13 *is a 20 percent reduction at the headquarters and division*
14 *level.)*

15 MR. VINING: From our current authorized
16 manning. That is correct. Truth in lending is we are not
17 staffed up to our authorized manning level now.

18 MS. GRUBER: Okay.

19 LTG FLOWERS: But it will be a substantial
20 savings in dollars from where we would be to -- where we
21 will be when this is finished.

1 MS. GRUBER: And do you know what are you up to
2 now as far as authorized manning?

3 MS. SANDERS: In this headquarters, we're 85
4 percent.

5 MS. GRUBER: Okay.

6 MS. SANDERS: Any other questions?

7 MS. O'CONNELL: I'm Mia O'Connell with the
8 Carmen Group.

9 Thinking about this reorganization from a
10 project partner point of view, you had just mentioned that
11 the points of entry would remain the same for a partner.
12 My assumption is they'll have more of a collaborative role
13 as we go forward.

14 LTG FLOWERS: Exactly.

15 MS. O'CONNELL: Can you describe a little bit of
16 those platforms?

17 LTG FLOWERS: Sure. I would see it see it
18 occurring this way. We have some great examples of
19 collaboration that have occurred in the field. And the
20 collaboration has generally been effective between the
21 partner and the district. The point of entry is normally

1 at the district level. What you'll see change is you will
2 see members of that vertical team working in collaboration
3 with a partner to work things as expeditiously as they can
4 be worked, to provide information, to listen, not just
5 with the partner but also with everybody else who has an
6 interest. Because what we find when we've applied that
7 and we've got some examples Hamilton Island in California,
8 Napa Valley in California, some work that we've done with
9 the Everglades, Kissimmee, and a few other places, where
10 we've opened the process and allowed more people in, we
11 have developed a much better, more executable options that
12 we ever had. And I think that's what I'll find.

13 MS. O'CONNELL: I can see the efficiency, the
14 potential for that. What opportunities are there for
15 better projects as we go forward?

16 LTG FLOWERS: Well, I think what technology and
17 science is giving you today, combined with this
18 team-of-teams approach, and when you think about it, you
19 can put a lot of people on this team. It's not just the
20 Corps. The team-of-teams can involve academia, science,
21 industry, private groups, other agencies. You can bring

1 all of that to bear. And as the science and technology
2 gets better, our ability to do sustainable watershed-type
3 approaches is going to be enormous. And to be able to
4 demonstrate outcomes with computer models, those sorts of
5 things, will be tremendous. And when the picture is worth
6 a thousand words, when you're able to demonstrate those
7 things, I think it will become readily apparent which
8 things can be done and probably ought to be and which
9 things probably should not.

10 MS. O'CONNELL: And communities of practice.

11 LTG FLOWERS: And communities of practice, you
12 bet. The communities of practice, we'll get, hopefully,
13 better and better at what we do because we're going to be
14 really nurturing and developing that technical competence
15 of the organization.

16 MR. VINING: There's more surety in policy so
17 that our decisions don't get reversed.

18 LTG FLOWERS: Yeah. Because a number of our
19 partners have express some frustration because they
20 thought they had something really good going. And then
21 all of a sudden, it came for review at the Washington

1 level, and found that, oops, this been seen to.

2 With this approach and the teams and the
3 vertical teams, that will get captured very quickly, that
4 this is something you don't even want to go toward or
5 you're going to have to request an exception as you carry
6 this forward, to be able to do it in a more timely
7 fashion.

8 Yes, sir.

9 MR. BORY: General, Larry Bory with HDR and the
10 National Waterways Conference.

11 How do you see this impacting the centers of
12 excellence? And do you see this being an asset this terms
13 of attracting new people to the Corps?

14 LTG FLOWERS: I do. I think the centers of
15 excellence we've created will all be utilized under this
16 concept. One of the things that we're requiring is
17 virtual membership on teams for centers and our
18 laboratories. And that's a part of the organization which
19 we have not leveraged to full advantage before. So we
20 will have our research and developers, our centers of
21 expertise and excellence, all plugged into these teams,

1 know what's going on, and have an opportunity to be
2 value-added when that's appropriate.

3 So I do. And I tell people I think when you
4 start thinking about 2012 and change, you can either look
5 upon this as an ordeal or you can look on it as an
6 adventure. And the difference is the attitude with which
7 you approach it. And I have a lot of faith in our people.

8 And talking to people in the field, they see the great
9 goodness in this. And I think a lot of people will find
10 it very exciting. And I think it will help the Corps
11 become an employer of choice for somebody who wants to
12 come the practice, be part of an organization that is
13 providing some pretty great service.

14 Yes.

15 MS. HAGER: Worth Hager with the National
16 Waterways Conference. In reading the Washington Post it
17 said something about the Assistant Secretary of the Army
18 for Civil Works. What will be the role of that office?
19 And, actually, I had another piece on your military
20 program integration and how that would have effect with
21 what you're doing in Iraq right now or that type of thing

1 and exactly how it fits in at this system.

2 MS. SANDERS: Nothing changes in the role the
3 Assistant Secretary of the Army for Civil Works. The
4 Assistant Secretary will still be our oversight, and my
5 boss in civil works. That will not change. But what have
6 done, though, is we've invited on the civil works side,
7 the ASACW's office on the military's side, the Assistant
8 Secretary of the Army for Installations and Environment to
9 have representatives on these teams. And so that as we go
10 through this, they are also involved.

11 And if we are -- not that that's going to change
12 the approval process. But at least it will make them
13 aware of what's happening. And they'll know. And if
14 there are some things that we are doing that we are
15 probably not doing the right way, it would sure be nice
16 not to expend the organizational and human capital if it's
17 something that we ought not to be doing.

18 And they can be, I think, value-added because
19 most of the people that work in those offices have a great
20 deal of experience and that's a good thing to have.

21 I think this organization, because it's going

1 leverage people's strength in putting them into teams, has
2 better enabled us to be responsive in a place like Iraq
3 and Afghanistan. The feedback I got, and I've done four
4 visit over in Iraq now, from the head of the Agency for
5 International Development in Baghdad was, he called me
6 aside and he said, I really appreciate the Corps of
7 Engineers for the way it's come in here, putting some
8 pretty good people in key positions. And every place
9 we've put these people, they've been able to form teams
10 and make something good happen.

11 So that, I think, holds up some pretty great
12 hope for the future. And that's why I think this concept
13 is the best for the Corps, and I know it will work.

14 MS. MILLER: Kelly Miller of American Rivers. I
15 just had a few questions. I have a few questions
16 regarding the planning process.

17 LTG FLOWERS: Sure.

18 MS. MILLER: I guess specifically when do you
19 anticipate that your planning guidance and your other
20 guidance and regulations will be revised so that we
21 actually have something in writing as far as how the

1 process is going to work? That's one question.

2 LTG FLOWERS: Well, I think -- go ahead, Rob.

3 MR. VINING: Kelly, we're in the process,
4 hopefully, constantly updating the planning guidance and
5 so forth, to reflect this effort. Let me pause for just a
6 moment. The Chief mentioned starting. There are in the
7 report a couple of process improvements that would require
8 legislation. For a lot of reasons, not the least of
9 which, is that they are really not indispensable to this
10 organization, USACE 2012. And Congress has taken it on
11 themselves, working with the administration to look at some
12 of the process improvements. And we have put those aside.
13 It's not part of the effort.

14 But to answer the question specifically, we
15 would anticipate having whatever guidance that needs to
16 occur out about the time that we go forward in the March
17 time frame, January through March time frame.

18 MS. MILLER: And just a follow-up on that. I
19 believe some of the processes that you guys are planning
20 on implementing with this plan is to do away with several
21 kind of formal contracts that partners have normally have

1 to go into, the feasibility and cost-sharing agreements,
2 and PCA agreements? Is that --

3 MS. SANDERS: Those are exactly the things that
4 Robert is talking about that are not part of USACE 2012.

5 MS. MILLER: Oh, those are not part of it.

6 LTG FLOWERS: No.

7 MS. MILLER: So those would have to be
8 legislated.

9 LTG FLOWERS: Those were feedback that we
10 received from stakeholders, customers, partners, some of
11 the frustration they felt with the process.

12 MS. MILLER: Okay.

13 LTG FLOWERS: But those are things that require
14 legislation and have to be worked with the administration
15 and with Congress. And that has not been done yet.

16 MS. MILLER: That proposal some be forthcoming.

17 MR. VINING: Well, Kelly, first of all, the
18 House passed the Water Resources Development Act does have
19 some what we call "streamlining provisions" in there which
20 are looking at -- well, not looking -- directing a change
21 in what we've been calling the PCAs, project cooperation

1 agreements, to more of a partnering agreement signed and
2 executed at the district level as we do for 50 years prior
3 to 1986.

4 The other provisions that we had identified
5 early as we were trying look at this process --
6 feasibility, cost-sharing agreements, and so forth -- we
7 are not pursuing these as part of the USACE 2012 effort.
8 Candidly, our view is not only is it not really our
9 prerogative to do that, Congress with the administration
10 is looking at those sorts of things. So what we're
11 planning on doing is reacting and responding to those
12 initiatives in however they would like us to. It's not
13 something we're promoting or pursuing

14 MS. MILLER: It just seems like at some point
15 along the way, it might be in good effort as you are
16 streamlining the process, it just seems like somewhere
17 along the way you're going to have to make sure you are
18 ensuring a commitment with federal partners --

19 LTG FLOWERS: Exactly.

20 MS. MILLER: You know, doing away with the
21 feasibility, cost-sharing, all of those things --

1 MR. VINING: I should mention. And the reasons
2 these have been identified is not in any way to change the
3 nature of those commitments and understandings. But at
4 the risk of being overly graphic here, we've created
5 cottage industries out of processing these sorts of
6 documents. And right now, there are three agreements that
7 are required to get the civil works project through the
8 planning stage through construction. And on an average,
9 each one is adding 13 months to the process. So multiply
10 13 months times three and all that is costing taxpayers
11 money and also contributing to benefits foregone.

12 Not to get too carried away here, but when
13 Isabel went through Norfolk-Virginia Beach area, one of
14 the areas that was right at the throat of that is what
15 called Sand Bridge. That project was completed one month
16 before Isabel hit. Now, you know, if the process had
17 delayed that one month or so, there was a lot of lives
18 that could have been at risk that were not because of that
19 project.

20 So I mean we feel very compelled to find ways to
21 efficiently move our process through. Now, doing that

1 consist with all of the things we're talking about, the
2 laws, procedures, oversight, and so forth. But we have
3 great confidence in the wisdom of congress and the
4 administration to work these issues.

5 MS. SANDERS: Anybody else?

6 MS. SAMIT: I have another question.

7 LTG FLOWERS: Sure.

8 MS. SAMIT: I actually have two questions. One
9 of those two, General, you had said that customer will be
10 part of the team. And I guess I may read into this
11 incorrectly. But when I think of customer, I think of
12 local sponsors. And it seems to me that having the local
13 sponsors as part of the original team works against the
14 Corps's role as an honest broker and can pull you more
15 down the direction of -- which we don't think. So that's
16 one question.

17 How are you going to make sure that that doesn't
18 cause more of a project advocacy problem than we believe
19 currently exist? And I think you probably have a pretty
20 good feel for our views on that.

21 And then the other question is, when you're

1 organizing around the business lines that you've defined
2 navigation -- flood control, storm damage reduction -- how
3 are you going to make sure that those reorganizations
4 don't stovepipe themselves into a different set of
5 problems that will prevent you from looking at the needs
6 of the watershed?

7 LTG FLOWERS: Let me answer the second part of
8 your question. The first part of the question dealt with
9 teaming. By saying you're going to bring the customer
10 onto the team, isn't that putting you more in a project
11 advocacy role and what are you going to do to prevent
12 that. And the second part was on the --

13 MR. VINING: How we're going to integrate the
14 watershed.

15 LTG FLOWERS: How we're going to integrate the
16 watershed approach. And I think the watershed approach,
17 we're on record as saying that's the way we want to go on
18 thing. And I think what happens then is, when you
19 identify needs in a watershed that need to be seen to and
20 you go from planning through everything else and you got a
21 valid project, the business lines are made for requesting

1 budget and for basically managing our business once we've
2 been appropriated funds.

3 And so we would put those projects that are
4 identified through the watershed approach and fund them in
5 accordance with those business lines, Melissa, not --
6 those business lines don't drive the planning or the
7 process.

8 As far as teaming goes, let me just kind of take
9 you through how we did things and how we intend to do
10 things under this. The way we did things in the past is
11 we would receive a request from somebody to help solve a
12 problem. And what we would do is we would work with that
13 person who identified what they wanted done and we would
14 come back behind very closed doors and a closed process
15 and we would put together a solution or a set of solutions
16 for that problem. We would then hold some sort of a
17 public meeting, kind of cover them in a public meeting.
18 Come back. And often times, what we found was we really
19 weren't addressing the wants, needs, desires of all of
20 them that the people who wanted the work wanted to see
21 done. And for sure, we weren't including anybody who

1 might have a view different from our own.

2 So under this new concept the intent of building
3 the team and bring the customer onto the team is so we're
4 always getting a sanity check to make sure we are meeting
5 the needs of the people who originally requested the Corps
6 to come in. But at the same time on the team will be
7 those who may ever have an opposing view. So it's going
8 to be open and collaborative. And so we invite everyone
9 to participate. And I would give as example the Upper
10 Miss Nav Study, the restarted Upper Miss Nav Study, and
11 how it's currently being conduct.

12 MS. SAMIT: So will that be formalized?

13 LTG FLOWERS: Absolutely. That's what USACE
14 2012 is all about. We've done in our communications
15 principles. And I think if you talk to -- yes, I do have
16 to caveat and make sure that everybody understands. The
17 federal responsibility has not changed with this. The
18 open collaborative process, we are still responsible.

19 MR. BRAWER: I have I question if I can jump in.
20 I don't want to cut you off.

21 LTG FLOWERS: Sure.

1 MR. BRAWER: This is Greg Brawer with Civil
2 Engineering Magazine.

3 General, I'm just wondering if you can talk and
4 I apologize if I missed you already doing this. But talk
5 a little bit about the impetus for this plan. I know that
6 the Corps has been criticized some in the past. And I
7 wonder if that came into your thinking. And if you can
8 talk about sort of how this idea originated and if there
9 were any projects at the beginning that you had in mind
10 when you went about forming this early on?

11 LTG FLOWERS: First of all, there were no
12 specific projects that I had in mind. Although I have
13 seen what I'm describing as USACE 2012 will work in small
14 places throughout the Corps of Engineers. And what we
15 tried to do is pick good things that have happened and
16 successes and then bring them out and export them through
17 the remainder of the group.

18 This came about as a result of a lot of talking
19 with our customers, both in our military programs and in
20 our civil works programs, other federal agencies that we
21 work with, regions, states, Congress, industry, interest

1 groups. I've even -- and I think, in fact, I'll be going
2 next Sunday to talk to the Corps reform network, or a part
3 of it, in St. Louis, and talk about in part USACE 2012.

4 MR. BRAWER: Okay. And when did you first start
5 this effort?

6 LTG FLOWERS: We actually began this effort when
7 I became Chief in October of 2000.

8 MR. BRAWER: Okay.

9 LTG FLOWERS: It had its impetus in the input we
10 received from our partners, the public, and all those
11 other groups that I described.

12 DR. CARTER: Nicole Carter for Congressional
13 Research Service. And I have a couple of questions.

14 You why discussing some of the impetus for 2012.
15 I was wondering does the public management agenda and the
16 Third Wave, did that play a role in how this evolved at
17 all? And in addition to that, you were just discussing
18 putting in more of the clients, more of the customer. And
19 I was wondering how the protection for the national
20 interest for the projects, how that will be worked into
21 this new arrangement?

1 And, finally, there have been mentioned in the
2 report, and I'm not sure if some of the things that were
3 taken out, about the appropriations process, how the
4 budgeting will done, when we're going to have (inaudible)
5 --

6 LTG FLOWERS: Nothing will change in the way
7 that congress oversees and the administration oversees the
8 Corps unless there's some change in law that we're not
9 aware of.

10 The national interest, we are charged with
11 seeing the national interest. And that's my
12 responsibility as I try to apply the best engineering and
13 science that's available to solve the issues that are
14 presented to the Corps for solution. And my commitment is
15 to do exactly that. And so I will be accountable for
16 seeing the national interest. I'm convinced in this that
17 I have points of entry for those who need information at
18 the national level.

19 For example, the Washington office will still be
20 responsible for interfacing with the committees, providing
21 information, doing all of those things, and seeing to

1 national relationships with professional organizations,
2 private organizations, other federal agencies, and make
3 sure. And that's part of corporate integration.

4 The Director of Civil Works will have a similar
5 integration cell that provides that. We already described
6 the policy office, so forth, that are there. And so I
7 think what you will see is, hopefully, more response and a
8 quicker response from the Corps of Engineers when you need
9 something seen to. But the national interest will
10 absolutely be seen to. And that's written through all of
11 our, and will be written through, any changes that we make
12 in any of our regulations or how we conduct business.

13 MR. VINING: Let me expand on that just a bit
14 because you asked the about Third Wave and the President's
15 management agenda.

16 This in no way was brought about because of
17 those efforts. But clearly we are integrating this into
18 our responsibility as all federal agencies have to respond
19 to the president's management agenda.

20 We right now, for instance, contract out a
21 hundred presence of our construction program, about 70, 75

1 percent of our military design work, and about 55 percent
2 of the planning and design work on the civil-works side.
3 It's a very important and critical partnership we have
4 with the contractors in this country in order to carry out
5 of the responsibilities we've been entrusted with.

6 So this will -- the results of this will be
7 reflected in our response to the President's Management
8 Agenda on the human capital and the outsourcing components
9 of the President's management agenda.

10 The business line as it's called and that's
11 probably a lousy term for a public agency, but we've never
12 been accused of being very swift with coming up with
13 terms. But it is our response to making sure that we are
14 building our budgets based on performance and performance
15 measures. And for instance, our three major mission areas
16 in the civil-works area are navigation, flood damage
17 prevention, and environmental restoration.

18 In the past, how we have built our budgets and
19 defended those have been based upon not what we're doing
20 but what phase we're doing it in -- planning,
21 construction, operation and maintenance. What the

1 business line approach is, which we have briefed OMB on
2 and they're very positively responding to that, to build
3 our budgets based upon outputs for why we do them.

4 For instance, the navigation program, what are
5 the most critical navigation needs in the country and
6 making sure that we are efficiently funding those efforts.

7 Right now with our budget the way it is, we are
8 in essence providing about 50 percent of an efficient
9 funding for every project that we have underway. And it's
10 causing significant delays, benefits being foregone. And
11 we see this as a way to make sure that however amount of
12 money that the administration and congress give us that we
13 are being wise stewards of that money and placing it on
14 the highest priority outputs.

15 MS. SANDERS: Do you have time for one more
16 question?

17 LTG FLOWERS: Yes.

18 MR. BORY: And that is how is the team approach
19 going to change the relationship with private sectors for
20 technical professional if at all? And what do you
21 anticipate that happening in the future as the program is

1 implemented?

2 LTG FLOWERS: I think this will improve it. And
3 the feature that I want to cite is that of the communities
4 of practical. That is something that's been very informal
5 in the organization. We are formalizing it in this. And
6 so I'll take ASRAE, which is a professional association
7 for mechanical and electrical engineers. We'll have a
8 community of practice probably for each of those
9 disciplines within the Corps of Engineers. So there's an
10 area to plug in to participate in the professional
11 development and encourage participation with ASRAE and
12 then professional development of that community of
13 practice within the Corps of Engineers. So I think it
14 will be much, much better.

15 Since in my time as chief, and this isn't
16 anything new, but we've signed a number of agreements with
17 professional associations. We have been encouraging
18 members of the U.S. Army Corps of Engineers to join
19 professional organizations in their field to the point
20 where we are trying to find ways to help reimburse them if
21 that membership is going to contribute to their value as

1 part of the community of practice and as functioning
2 members of the team. So I think it will be a win-win.

3 MS. SANDERS: Thank you, sir. Thank you,
4 everybody. Joe and Bob will be around if you have some
5 additional questions.

6 LTG FLOWERS: Thank you all very much. I'm
7 sorry I have to run. But General Keane, the Vice Chief of
8 Staff of the Army is retiring today at Fort Myers, and I'm
9 heading over to his ceremony. A great American leaving
10 the Army. Thanks for coming over. It's good seeing
11 everyone.

12 [Meeting adjourned at 4:35 p.m.]

13 -oo0oo-

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